



Hog Margin Outlook

Meeting Your Marketing Needs

For details call: (204)235-2237
or visit www.mpmc.mb.ca

Tuesday, June 23, 2009

Hog Prices: ↓↑

Soymeal: ↓

Corn: ↔

Cdn Dollar: ↓

US Slaughter
401,000—Monday's
424,000—Monday's (Year Ago)
US Iowa/Southern MN \$57.10
Western Corn Belt \$57.41
Daily Sig #3 Est. (M.Leaf) \$121.51
B of C Ex. Rate (Noon) \$1.1547 CAD / \$0.8660 US
Cash Price (\$/cwt/ckg) Cash prices for week ending June 19th, 2009
53.24 / 117.38 Signature #3
51.88 / 114.38 MPMC Cash
49.41 / 108.94 Springhill

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Manitoba Pork Marketing's forward contract prices opened mixed this morning. US cash bids moved higher to start the week despite the weaker product markets that caused poor gross margins that most US packers are experiencing. Packers are unlikely to keep the bullish trend going as the loins and hams are seeing further weakness. This week could yield the smallest non-holiday week slaughter of the year, but prices are providing no indication that wholesalers or processors are short on supply. Lean Hog futures are expected to trade marginally lower today, following yesterday's weakness. Traders are reacting to news of more pork in Cold Storage when compared to last year, but frozen supply increases were expected given the impact that H1N1 had on the market. The Canadian Dollar counteracted the lower hog futures, by dropping more than a cent yesterday, to its lowest level in over a month.

Canadian delivered soymeal prices opened lower this morning. Yesterday's USDA Crop Progress Report showed 91% completion for soybean plantings, which is on the low end of analysts' expectations. A lower US Dollar overnight helped soybeans stage a strong rebound after yesterday's drastic losses. Basis changes and a slightly stronger Canadian Dollar are increasing purchasing power this morning.

Canadian delivered corn prices opened steady this morning. Crude oil traded marginally lower in the overnight, providing little support for a rebound for corn futures, which traded relatively flat. Crop conditions remain steady, with 70% of the crop still rated as good to excellent.

	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Fixed Forward Range		121.51	120.24	113.37	112.13	106.95	106.21	117.80	128.33
(Maple Leaf Sig. #3)		-	-	-	-	-	-	-	-
Estimated Hog Margin	-21.65	-22.35	-22.12	-22.44	-19.82	-17.48	-11.00	-1.37	2.90
Soymeal Delivered	520	529	538	548	415	415	415	425	435
Corn Delivered	179	181	183	183	180				

Risk Management Workshop for Swine Producers

Registration Fee: \$20/person (includes lunch)

MPMC members are eligible for a \$10 rebate

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July 13—Grandview (St. Elias Hall)

July 14—Portage La Prairie (Portage Fairboard Centre)

July 15—Altona (Millennium Exhibition Centre)

July 16—Steinbach (Mennonite Heritage Village)

July 17—Arborg (Arborg GO Office)